

PATIENT 1st SHARING OF SAVINGS

Additional Documentation

The purpose of this document is to provide additional explanation of the methodology, key terms, and the points associated with each variance.

PEER GROUPS

There are eight peer groups in Profiler:

General Practice/Family Practice (S01)	Jefferson County Health Dept. (PC)
Pediatrics (37)	Other (30)
Internal Medicine/Infectious Disease (S02)	Federally Qualified Health Centers (F2)
Obstetrics/Gynecology (16)	Rural Health Clinics (S03)

KEY TERMS

These are terms that are used throughout the Profiler and Sharing of Savings process:

- Actual – Total allowed amount.
- Expected – adjusted for RUBs within each peer group
- Resource Utilization Band (RUB) – the adjustment of the expected amount to take into the morbidity level of the patient. This adjustment allows for the expected amount to be calculated based on how the peer group would take care of the patient. RUBS were created by Johns Hopkins University for the purpose of consolidating the 100+ ACG (ambulatory care groups) into a smaller number of financially homogenous groups that could be used for provider profiling. The 6 RUB groups makes it simpler to evaluate differences in risk of the enrollees assigned to each provider.
- Variance – the % difference between the actual and expected
- Score – the numerical value assigned to the variance range
- Share Points – the score multiplied by the member months
- Member Months – the sum of the number of months each enrollee was in your panel during the specified time period. An enrolled could have been on your panel for one month or the full twelve months.

VARIANCE SCORES

The variances for each measure were ranked for all PMPs, regardless of peer group, and were then divided into seven relatively equal ranges. Each of these ranges was assigned a score value. For example:

PMP Efficiency Point Chart	
% above/below Expected	PMPM \$
>34.5%	1
34.5% to 15.8%	2
15.7% to 4.1%	3
4.0% to -4.7%	4
-4.8% to -13.2%	5
-13.3% to -26.1%	6
<-26.1%	7

- PMPs may visit our website at www.medicaid.alabama.gov/Patient1st/savings for additional details, or they contact Dr. John Searcy at john.searcy@medicaid.alabama.gov or (334) 242-5619 with questions or Km Davis-Allen at kim.davis-allen@medicaid.alabama.gov or (334) 242-5011.